

March 4, 2009

## COSPONSOR THE WELFARE REFORM RESTORATION ACT

Dear Colleague,

In 1996, a Republican Congress passed, and President Bill Clinton signed into law, the Personal Responsibility and Work Opportunity Reconciliation Act—the landmark welfare reform law. Since enactment, the lives of millions of people have been improved, as welfare caseloads have fallen by 65%. Welfare reform is one of the most successful, and bipartisan, public policy achievements of the last two decades.

Without much debate, Section 2101 of the Economic Recovery and Reinvestment Act of 2009 (the so-called “stimulus”) threatens to undo this progress made over the past 12 years. This section of the “stimulus” creates a \$5 billion “emergency fund” for the Temporary Assistance for Needy Families (TANF) program, and attaches strings in order for a state to receive funding that are rigged in favor of *expanding* welfare caseloads. Specifically, a state has to increase its welfare caseloads in order to receive any funding, and states receive an 80% match to cover all expenses associated with *increasing* their welfare caseloads.

Prior to 1996, under the previous Aid to Families with Dependent Children (AFDC) program, states received funding in line with their welfare caseloads. As a state increased its welfare caseload, the amount of funding the state received went up. As a state’s welfare caseload declined, the amount of funding the state received declined. The 1996 welfare reform law repealed this feature of the AFDC program, and instead gave states a flat funding level under the TANF program. The 1996 welfare reform law provided incentives for states to *lower* their welfare caseloads. Section 2101 of the “stimulus” provides incentives for states to *increase* their welfare caseloads.

H.R. 1277, the Welfare Reform Restoration Act, repeals section 2101 of the Economic Recovery and Reinvestment Act of 2009, thus restoring the foundation of the 1996 welfare reform law. If you oppose overturning the 1996 welfare reform law, ***join us by co-sponsoring the Welfare Reform Restoration Act.*** For more information, or to co-sponsor, please contact Brad Watson at: [brad.watson@mail.house.gov](mailto:brad.watson@mail.house.gov).

Sincerely,

Rep. Tom Price

Rep. Jim Jordan